

2097

VILLAGE OF NAPOLEONVILLE
NAPOLEONVILLE, LOUISIANA

GENERAL PURPOSE FINANCIAL STATEMENTS

December 31, 2002

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/15/03

Leroy J. Choate
Certified Public Accountant, APAC

VILLAGE OF NAPOLEONVILLE
Napoleonville, Louisiana

*General Purpose Financial Statements
and Independent Auditor's Reports*

*For the Year Ended December 31, 2002
With Supplemental Information Schedules*

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Release Date _____

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS**

To the Mayor and Board of Aldermen
Village of Napoleonville
Napoleonville, Louisiana

I have audited the financial statements of **The Village of Napoleonville, Napoleonville, Louisiana**, as stated for the year ended December 31, 2002, and have issued my report thereon dated June 20, 2003. I conducted my audit in accordance with auditing standards generally accepted in the United States of America, applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether **The Village of Napoleonville's** financial statements are free of material misstatements, I performed tests of compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered **The Village of Napoleonville's** internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of **The Village of Napoleonville's** management, pass-through entities, and the Legislative Auditors and is not intended to be and should not be used by anyone other than these specified parties.

Leroy J. Chustz

Leroy J. Chustz
Certified Public Accountant, APAC
June 20, 2003

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

TOWN OF HAVOLIENVILLE
COMBINED BALANCE SHEET — ALL FUND TYPES AND ACCOUNT GROUPS
Statement of
December 31, 2000

	GENERAL FUND	CAPITAL PROJECT	ENTERPRISE FUND	GENERAL, FIXED ASSET GROUP	GENERAL LONG TERM DEBT GROUP	Other Only Current Year
ASSETS						
Current Assets						
Cash	\$ 28,483.43	\$ 473.00	\$ -	\$ -	\$ -	\$ 28,956.43
Accounts receivable	1,889.10	-	-	-	-	1,889.10
Licenses receivable	13,746.86	-	-	-	-	13,746.86
Taxes receivable	18,879.90	-	-	-	-	18,879.90
Restricted Assets						
Cash	-	-	76,208.11	-	-	76,208.11
Fixed Assets						
Machinery and equipment - net	-	-	671,803.94	-	-	671,803.94
Construction in progress	-	-	1,762,278.43	-	-	1,762,278.43
General Fixed Assets						
General fixed assets	-	-	-	842,689.88	-	842,689.88
Other (debts)						
Amount to be provided	-	-	-	-	4,762.48	4,762.48
TOTAL ASSETS	\$ 61,192.34	\$ 473.00	\$1,891,267.58	\$ 842,689.88	\$ 4,762.48	\$2,681,385.28
LIABILITIES AND FUND EQUITY						
LIABILITIES						
Current Liab (From Curr Assets)						
Accounts payable	\$ 871.88	\$ -	\$ -	\$ -	\$ -	\$ 871.88
Cash in bank overdraft	-	-	42,884.87	-	-	42,884.87
Due to other governments	1,833.36	-	-	-	-	1,833.36
Amount bonds payable	600.00	-	-	-	-	600.00
Current Liab (From Fixed Assets)						
Bonds payable-current portion	-	-	4,771.58	-	-	4,771.58
Accrued interest payable	-	-	1,267.81	-	-	1,267.81
Deferred Revenue						
Deferred revenue	1,773.70	-	-	-	-	1,773.70
Other Liabilities						
Accrued Taxes Payable	-	-	-	-	4,762.48	4,762.48
Long-Term Liabilities						
Bonds payable	-	-	291,842.85	-	-	291,842.85
2000 Loan Repaid	-	-	221,089.88	-	-	221,089.88
TOTAL LIABILITIES	4,775.06	-	472,767.00	-	4,762.48	687,775.28
FUND EQUITY						
Unreserved	28,687.44	-	-	-	-	28,687.44
Committed to fixed assets	-	-	-	842,689.88	-	842,689.88
Contributed capital	-	-	637,978.34	-	-	637,978.34
Contribution from fund	-	-	640,683.28	-	-	640,683.28
Unreserved	-	-	(242,991.87)	-	-	(242,991.87)
TOTAL FUND EQUITY	28,687.44	473.00	1,115,569.85	842,689.88	-	1,725,231.21
TOTAL LIABILITIES AND FUND EQUITY	\$ 61,192.34	\$ 473.00	\$1,891,267.58	\$ 842,689.88	\$ 4,762.48	\$2,681,385.28

See the accompanying notes to the financial statements.

TOWN OF WASHINGTON

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—
BUDGET AND ACTUAL, (GAAP BASIS) GENERAL FUND 1999**

**STATEMENT 1
for the Year Ended December 31, 2000**

AMOUNT

DOLL

	Budget	Actual	Variance Favorable Unfavorable
			(1000000000)
REVENUES			
Revenues			
All returned tax	\$ 100,000.00	\$ 50,000.00	\$ (100,000.00)
Sales tax	-	110,000.00	110,000.00
Licenses and permits	10,000.00	70,000.00	60,000.00
Intergovernmental revenue	-	1,000.00	1,000.00
State grants	30,000.00	60,000.00	17,000.00
Fees, charges and contributions	40,000.00	30,000.00	(10,000.00)
Fines and forfeitures	10,000.00	30,000.00	1,000.00
Use of money and property	0,000.00	1,000.00	(1,000.00)
Miscellaneous revenue	-	(0,000.00)	0,000.00
TOTAL REVENUES	180,000.00	320,000.00	140,000.00

EXPENDITURES

Current Expenditures			
Other general administration	100,000.00	70,000.00	(10,000.00)
Public safety	100,000.00	100,000.00	1,000.00
Public works	10,000.00	60,000.00	7,000.00
Roads and utilities	60,000.00	40,000.00	(1,000.00)
Culture and recreation	20,000.00	10,000.00	(5,000.00)
TOTAL EXPENDITURES	390,000.00	280,000.00	(110,000.00)

Excess (deficiency) of revenues over expenditures

140,000.00 140,000.00 14,000.00

Excess (deficiency) of revenues over expenditures and other resources (total)

(10,000.00) 130,000.00 14,000.00

Fund balances at beginning of year

120,000.00 0,000.00 (10,000.00)

Initial Equity Transfers In

-

Initial Equity Transfers Out

-

Fund balances at end of year

\$ 110,000.00 \$ 130,000.00 \$ 14,000.00

See the accompanying notes to the financial statements.

VILLAGE OF WOODBORO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS (FUNDAL BALANCE)

BUDGET AND ACTUAL (GAAP BASIS) — ALL GOVERNMENT FUND TYPES

Statement C

For the Year Ended December 31, 2022

(CONTINUED)

FUND

	Budget	Actual	Variance Favorable or Unfavorable
OPERATING REVENUES			
Fees, charges and contributions	\$ 94,000.00	\$ 101,937.76	\$ 7,937.76
Total operating revenues	94,000.00	101,937.76	7,937.76
OPERATING EXPENSES			
Health and welfare			
Group-term insurance	-	714.56	(714.56)
Insurance	-	1,975.34	(1,975.34)
Billing and collecting fees	-	4,708.00	(4,708.00)
Salaries and wages	81,845.00	71,656.00	10,189.00
Repairs to system	-	1,463.00	(1,463.00)
Electricity	-	8,708.40	(8,708.40)
Miscellaneous material and supply	-	11,472.55	(11,472.55)
Miscellaneous	-	1,806.00	(1,806.00)
Inspection and testing	-	1,291.00	(1,291.00)
Water	-	1,393.54	(1,393.54)
S & S fees	-	888.47	(888.47)
Depreciation	14,688.00	14,472.54	215.46
Operation of plant	-	1,439.44	(1,439.44)
Bond interest	32,571.00	32,848.40	(277.40)
Total operating expenses	139,104.00	134,397.31	4,706.69
Operating income	(45,104.00)	(32,459.55)	12,644.45
NONOPERATING REVENUES (EXPENSES)			
Federal grants	-	852,178.43	852,178.43
Miscellaneous	-	(353,178.43)	(353,178.43)
Total operating transfers	-	-	-
Net income	(45,104.00)	(32,459.55)	12,644.45
Retained Earnings/Fund Balance, beginning of year	11,762.48	(10,113.43)	(218,875.91)
Retained Earnings/Fund Balance, end of year	\$ 10,344.48	\$ (204,944.87)	\$ (215,289.35)

See the accompanying notes to the financial statements.

VILLAGE OF WATKINSVILLE
 CONSOLIDATED STATEMENT OF CASH FLOWS

ALL FUND-BY-FUND TYPES
 Statement 1

For the Year Ended December 31, 2002
 (Increase (Decrease) in Cash and Cash Equivalents)

Cash flow from operating activities:	
Operating income (loss)	\$34,094.87
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	19,452.74
Increase (decrease) in receivables	11,373.43
Increase (decrease) in accounts payable	
Increase (decrease) in account liabilities	<u>171.42</u>
Net cash provided (used) by operating activities	<u>\$65,092.46</u>
Cash flow from investing activities:	
Payments for acquisition of plant improvements	<u>(1,365,134.63)</u>
Cash flow from capital financing activities:	
Bonds redeemed	(5,100.00)
Proceeds from debt	557,000.00
Contribution of capital from WGA for plant improvements	<u>652,234.63</u>
Net cash provided (used) by capital financing activities	<u>1,299,134.63</u>
Net increase (decrease) in cash and equivalents	<u>\$39,992.46</u>
Cash and cash equivalents, beginning of year	\$24,000.00
Cash and cash equivalents, end of year	<u>\$63,992.46</u>
Supplemental disclosures of cash flow information-cash paid during the year for:	
Interest	\$41,398.75
Income taxes	-0-

See the accompanying notes to the financial statements.

VILLAGE OF NAPOLEONTVILLE
Napoleonville, Louisiana
Notes to the Financial Statements
For the Year Ended December 31, 2002

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Napoleonville operates under a mayor - board of aldermen form of government in accordance with the provisions of the Village's charter. The accounting and reporting practices of the Village conform to generally accepted accounting principles as applicable to governmental units applied on a consistent basis between periods. Such accounting procedures also conform to the accounting requirements of the Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide and to the industry audit guide, *Audit of State and Local Governmental Units*, published by the American Institute of Certified Public Accountants.

The following is a summary of the more significant policies:

A. FINANCIAL REPORTING ENTITY

This report includes all funds and account groups which are controlled by or dependent on the Village executive and legislative branches (the Mayor and Board of Aldermen). Control by or dependence on the Village was determined on the basis of budget adoption, taxing authority, election or appointment of governing body, and other general oversight responsibility.

B. FUND ACCOUNTING

The accounts of the Village are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which operating activities are controlled.

The following fund category, fund types, and account groups are used by the Village:

Governmental Funds:

General Fund

The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds:

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditures for specified purposes.

Proprietary Funds:

Enterprise Funds

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management

control, accountability, or other purposes.

Account Groups

General Fund Asset Account Group

This account group is established to account for fixed assets of the Village other than those accounted for in proprietary funds or trust funds. General fund assets are accounted for in the General Fund Asset Account Group rather than in the governmental funds.

Overview total columns on the combined statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not represent financial position, results of operation, or changes in financial position in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

C. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting refers to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for on the modified accrual basis of accounting, wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components.

D. BUDGET AND BUDGETARY ACCOUNTING

The Village's budgetary procedures provide that the Clerk prepares a proposed budget which must be presented to the Mayor and Board of Aldermen prior to the beginning of each fiscal year. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At that time, a public hearing is held. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to commencement of the fiscal year for which the budget is being adopted. All budgetary measurements involving the transfer of funds require approval of the Board of Aldermen. All budgetary appropriations lapse at the end of each fiscal year. Budgets for the General and Special Revenue funds were adopted on a basis consistent with generally accepted accounting principles.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to ensure that portions of the applicable appropriation, if not employed by the Village.

E. FIXED ASSETS

Fixed assets have been acquired for general governmental purposes. Assets purchased are recorded as expenditures in the governmental fund types and capitalized at cost in the general fund assets account group.

Fixed assets consisting of certain improvements other than buildings, including roads, curbs and gutters, streets and

VILLAGE OF NAPOLESVILLE, LOUISIANA
Notes to the Financial Statements, Continued
December 31, 2002

air-traffic, drainage systems, and lighting systems, have not been capitalized. Such assets are normally insurable and of value only to the Village. Therefore, the ownership for such capital expenditures is satisfied without recording these assets.

No depreciation has been recorded on general fixed assets.

All fixed assets of proprietary funds are valued at historical costs. It is the policy of the Village not to capitalize interest costs incurred during the period of construction.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Depreciation is calculated using the straight line method with estimated lives ranging from ten to forty years. All infrastructure assets are accounted for and depreciated.

F. CASH

Cash includes demand deposits and interest-bearing demand deposits which are fully secured through the pledge of bank-owned securities or federal deposit insurance. For purposes of the statements of cash flows, the Village considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Under state law, the Village may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. At December 31, 2002, the Village has cash and cash equivalents (bank balances) as follows:

Demand deposits	<u>\$61,317.51</u>
Total	<u>\$61,317.51</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposits (bank balances) at December 31, 2002, are secured as follows:

Bank balance	\$ 79,847.01
Federal deposit insurance	100,000.00
Pledged securities (Category 1)	-0-
Total insurance and pledged securities	<u>100,000.00</u>
Unsecured deposits at 12/31/02	<u>\$ 79,847.01</u>

G. REVENUE RECOGNITION POLICIES

The following describes the revenue recognition practices for the major revenue sources of the Village.

VILLAGE OF NAPOLSONVILLE, LOUISIANA
Notes to the Financial Statements, Continued
December 31, 2002

1. AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 each year. Taxes are levied by the Village in September and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed. There was \$14,000 in taxes receivable at December 31, 2002.

The Village bills and collects its own property taxes using the assessed values determined by the tax assessors of Assumption Parish.

For the year ended December 31, 2002, taxes of 4.68 mills were levied and were dedicated for general operating purposes and 6.8 mills for maintenance.

2. SALES TAXES

Sales taxes, and licenses and permits are recognized as revenues whenever they are received by the collecting authority or collectibility has been clearly established.

3. SERVICE FEE REVENUES

Charges for services are recognized as revenues when customers are billed for services as provided.

Substantially all other revenues are recognized when received.

16. VACATION AND SICK LEAVE

Vacation and sick leave are recorded as expenditures at the period in which they are paid. The amounts of accumulated vacation and sick leave cannot be reasonably estimated at this time; however, it is immaterial in amount.

17. INTERFUND TRANSFERS

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for through the various due to and due from accounts.

18. UNCOLLECTIBLE ACCOUNTS

The statements contain no provision for uncollectible ad valorem taxes and other receivables. Village officials are of the opinion that such allowances would be immaterial in relation to the financial statements taken as a whole.

19. ASSUMPTIONS

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

VILLAGE OF NAPOLEONVILLE, LOUISIANA
 Notes to the Financial Statements, Continued
 December 31, 2002

2. BOND RESERVE REQUIREMENTS

The Village is required to maintain the following reserves by the Finance Home Administration as a condition of the loan made to the Village.

A. RESERVE BOND SINKING FUND

Each month the Village must transfer into the reserve bond sinking fund, a sum equal to one-twelfth of the interest falling due on the next interest payment date and, in addition, a sum equal to one-twelfth of the principal falling due on the next principal payment date, together with such additional proportionate sum as may be required as the same respectively become due. The fund agent bank shall make available from the reserve bond sinking fund to the paying agent for all installments on the bond payable from said fund, at least ten days in advance of the date on which such payment of principal or interest falls due, funds fully sufficient to pay promptly the principal and interest so falling due on such date.

B. SVERAGE SYSTEM RESERVE BOND RESERVE FUND

Each month the Village must transfer into the reserve fund, a sum equal to five per cent of the sum required to be transferred in each month into the reserve bond sinking fund as required in the reserve bond sinking fund, the payments to contract until such time as there has been accumulated therein a sum equal to the highest combined principal and interest requirement in any succeeding fiscal year on the outstanding principal of the bonds. The money in the reserve fund is to be retained solely for the purpose of paying the principal of and the interest on bonds payable from the reserve bond sinking fund in to which there would otherwise be default.

C. DEPRECIATION AND CONTINGENCY FUND

Each month the Village must transfer into the depreciation and contingency fund the sum of \$ 9600 . All monies in the depreciation and contingency fund may be drawn on and used by the Village for the purpose of paying the cost of annual or extraordinary maintenance, repairs, replacements, and extensions, and the costs of improvements to the sewerage system which will either enhance its revenue producing capacity or provide a higher degree of service.

3. GENERAL FIXED ASSETS AND FIXED ASSETS USED IN PROPRIETARY FUNDS

A summary of general fixed assets at December 31, 2002, is as follows:

	BEGINNING OF YEAR	ADDITIONS	DEDUCTIONS	END OF YEAR
Buildings	\$ 468,975	\$ -0-	\$ -0-	\$ 468,975
Improvements other than buildings	215,409	-0-	-0-	215,409
Equipment	158,275	5,892	-0-	164,167
Total	\$ 842,659	\$ 5,892	\$ -0-	\$ 848,551

VILLAGE OF NAPOLÉONVILLE, LOUISIANA
Notes to the Financial Statements, Continued
December 31, 2002

A summary of fixed assets used in proprietary funds is as follows:

	<u>BEGINNING OF YEAR</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>END OF YEAR</u>
Sewer system	\$1,190,000	\$ -	\$ -	\$ 1,190,000
Equipment	5,550	-	-	5,550
Accumulated depreciation	<u>(385,380)</u>	<u>(24,672)</u>	<u>-</u>	<u>(385,362)</u>
Total	<u>\$ 1,659,650</u>	<u>\$ (24,672)</u>	<u>\$ -</u>	<u>\$ 1,634,978</u>

4. PENSION PLANS

MERS-

All of the Village of Napoleonville's full-time non-police employees participate in the Municipal Employees Retirement System Plan "B" ("System"), a multiple-employer public employee retirement system. The payroll for employees covered by the System for the year ended December 31, 2002, was \$ 108,260; the Village's total payroll was \$ 191,936. The system provides retirement benefits to employees of all incorporated villages, towns, and cities within the State which do not have their own retirement system and which elect to become members of the System. The System was established by Act 566 of the 1994 regular session of the Legislature of the State of Louisiana. Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least thirty-five hours per week, not participating in another public funding retirement system, and under age sixty at date of employment.

Any member of Plan B can retire providing he meets one of the following criteria:

1. Age fifty-five with thirty years of creditable service.
2. Age sixty with a minimum of ten or more years of creditable service.
3. Under age sixty with ten years of creditable service eligible for disability benefits.
4. Survivor's benefits require twenty years creditable service at death of member.

Generally, the monthly amount of the retirement allowance for any member of Plan B shall consist of an amount equal to two per cent of the member's final compensation multiplied by his years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

Covered employees are required by State statute to contribute five per cent of their salary to the plan. The Village was required by the same statute to contribute 5.4 per cent. The contribution requirement for the year ended December 31, 2002, was \$ 11,250, which consisted of \$ 5,840 from the Village and \$ 5,410 from employees. The annually determined contribution requirement for 2000 has not yet been provided by the retirement system.

Trend information showing the progress of the System in accumulating sufficient assets to pay benefits when due is presented in its annual financial reports. Copies of these reports may be obtained from the Municipal Employees Retirement System of Louisiana.

VILLAGE OF NAPOLÉONVILLE, LOUISIANA

Notes to the Financial Statements, Continued

December 31, 2002

MPERS-

All of the Village of Napoleonville's full-time police officers participate in the Municipal Police Employees Retirement System ("System"), a multiple-employer public employee retirement system. The payroll for employees covered by the System for the year ended December 31, 2002, was \$ 22,314; the Village's total payroll was \$ 191,376.

Membership is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing he does not have to pay social security and providing he meets the statutory criteria.

Benefit provisions are authorized within Act 148 of 1973 and amended by LRS 11-2211-11-2203.

Any member is eligible for normal retirement after he has been a member of the System for one year, if he has 25 years of creditable service at any age, or has 30 years of creditable service and is age 50, or has 12 years creditable service and is age 55.

Benefit rates are three and one-third percent of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

A member is eligible to receive disability benefits if he was an active contributing member of the system, or if he is no longer a member but has 20 years creditable service established in the System, and suffers disability which has been certified by examination by a member of the State-wide Medical Disability Board. A service-related disability requires no certain number of years of creditable service; however, a non-service connected disability requires five years of creditable service.

The disability benefits are calculated at three percent of average final compensation multiplied by years of creditable service, but shall not be less than forty percent nor more than sixty of average final compensation. Upon reaching the age required for regular retirement, the disability participant receives the greater of disability benefits or accrued benefits earned to date of disability.

Upon the death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statute, the benefits range from thirty to sixty percent of the member's average final compensation.

A member is eligible upon receiving 20 years of credit regardless of age or 20 years of credit and attaining the age of 50, to elect to enter the deferred retirement option plan (DROP). Upon filing the application for the program, the employee's active membership in the system is terminated. As the entry date into the DROP, the employee and employer contributions cease. The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at date of application. The duration of participation in the DROP is specified for a period of three years or less. If employment is terminated after the three year period the participant may receive his benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership into the system shall resume and upon later termination, he shall receive additional retirement benefits based on the additional service. DROP accounts shall earn interest subsequent to the termination of DROP participation at a rate of half of the percentage point below the percentage rate of return of the System's investment portfolio as certified by the actuary on an annual basis.

Covered employees are required by State statute to contribute 8.2 per cent of their salary to the plan. The Village was

VILLAGE OF NAPIERSONVILLE, LOUISIANA
Notes to the Financial Statements, Continued
December 31, 2002

required by the same statute to contribute 3.8 per cent. The contribution requirement for the year ended December 31, 2002, was \$ 4,036, which consisted of \$ 3,193 from the Village and \$ 844 from employees. The annually determined contribution requirement for 2003 has not yet been provided by the information system.

Trend information showing the progress of the System in accumulating sufficient assets to pay benefits when due is presented in its annual financial reports. Copies of these reports may be obtained from the Municipal Police Employees Retirement System of Louisiana.

5. LONG-TERM DEBT

The following is a summary of loan transactions of the Village for the year ending December 31, 2002:

	LOAN #1
Loan payable at December 31, 2001	\$ 301,664
New debt issued	350,000
Principal retired	3,112
Loan payable at December 31, 2002	<u>\$ 648,552</u>

Long-term debt consists of one loan made by the Village and held by the Farmers Home Administration. Loan #1 is the amount of \$304,508 (less interest) of six per cent per annum to be paid from the revenues of the sewer system.

Repayment is to be made as follows:

\$304,508 SEWERAGE SYSTEM LOAN NUMBER #1

Only interest will be paid on the first annual payment starting on December 11, 1996. Payments of \$21,343 annually thereafter on each December 11th until principal and interest are fully paid, except the final payment of the entire indebtedness, if not sooner paid, shall be due and payable on the last annual payment date, which is forty years from the date of the bond.

The annual requirements to amortize loan #1 long-term debt outstanding at December 31, 2002, are as follows:

	LOAN #1		
	PRINCIPAL	INTEREST	TOTAL
YEAR ENDED			
2003	\$ 4,112	\$ 17,788	21,900
2004	4,994	17,587	22,581
2005	5,294	17,287	22,581
2006	5,612	16,889	22,501
2007	5,948	16,543	22,491
2008-2018	59,343	77,073	136,416
2019-2027	47,364	64,891	112,255
2018-2022	83,692	48,963	132,655
2023-2027	85,188	37,375	122,563
2028-2032	38,159	3,366	41,525
TOTAL	<u>\$ 304,658</u>	<u>\$ 303,643</u>	<u>\$ 608,301</u>

VILLAGE OF NAPOLÉONVILLE, LOUISIANA
Notes to the Financial Statements, Continued
December 31, 2002

\$14,000 SEWERAGE SYSTEM LOAN

Only interest will be paid on the first annual payment starting on December 3, 2002. The loan is payable over a forty year period with the first payment which falls on the first anniversary of the loan-consisting of interest only. Interest at four and one half percent for forty years payable in payments of \$1,561.74 monthly.

The annual requirements to amortize the 2004 long-term debt outstanding at December 31, 2002, are as follows:

	PRINCIPAL	INTEREST	TOTAL
2003	\$ 2,867	\$ 15,166	\$ 18,033
2004	3,002	15,034	18,036
2005	3,143	14,899	18,042
2006	3,290	14,746	18,036
2007	3,443	14,598	18,041
2008 to 2012	15,609	79,316	95,925
2013 to 2017	24,921	65,364	90,285
2018 to 2022	31,361	59,813	91,174
2023 to 2027	35,441	53,729	89,170
2028 to 2032	45,605	48,345	93,950
2033 to 2037	62,423	27,746	90,169
2038 to 2042	87,689	11,600	99,289
TOTAL	\$ 331,680	\$ 585,472	\$ 917,152

6. CONTRIBUTED CAPITAL

Contributed capital is comprised of funding from a grant from the USDA, Rural Utility Service and the fund balance of the Sewer fund previously reported as a special revenue fund.

7. PAYMENTS TO BOARD OF ALDERMEN

Board of Aldermen members are compensated at \$150.00 per month and the mayor is compensated at \$350.00 per month. The following payments were made to the Board members.

VILLAGE OF NAPOLEONVILLE, LOUISIANA
Notes to the Financial Statements, Continued
December 31, 2002

<u>BOARD MEMBER</u>	<u>PER DIEM</u>
Daniel C. Japina, Mayor Post Office Box 409 Napoleonville, Louisiana 70396	\$ 4,800
Frank Cottrell Post Office Box 482 Napoleonville, Louisiana 70396	1,800
Roseanne Blanchard Post Office Box 358 Napoleonville, Louisiana 70396	1,800
Carl Holms Post Office Box 280 Napoleonville, Louisiana 70396	1,800
Total	<u>\$11,200</u>

6. CONTINGENCIES AND PENDING LITIGATION

According to legal counsel, there are two matters pending against the Village of Napoleonville. The Village has adequate insurance in the event of an adverse finding.

**FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS
(SUPPLEMENTAL INFORMATION)**

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

VILLAGE OF SAPOLOCHVILLE
GENERAL FUND
Schedule 1
COMPARATIVE BALANCE SHEET

December 31, 2002 and 2001

	2002	2001
	<u> </u>	<u> </u>
ASSETS		
Current Assets		
Cash	\$ 85,892.40	\$ 75,000.00
Accounts receivable	1,820.10	2,881.00
Due from other funds	-	-
Unfilled order orders	-	-
Liases receivable	11,766.66	1,000.00
Fines & forfeitures receivable	-	-
Taxes receivable	12,871.95	22,827.50
Expenses	-	-
	<u> </u>	<u> </u>
TOTAL ASSETS	\$ 121,551.11	\$ 101,688.50
	<u> </u>	<u> </u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Due to/for other than Assets		
Accounts payable	\$ 101.00	\$ 42.00
Warrantage payable	-	2,076.50
Due to other funds	-	-
Due to other governments	1,838.00	1,478.20
Amount funds payable	800.00	800.00
Interest and wages payable	-	-
Payroll taxes payable	-	4,339.80
Deferred Revenues		
Deferred revenue	1,710.70	1,710.70
	<u> </u>	<u> </u>
TOTAL LIABILITIES	4,449.70	10,646.50
	<u> </u>	<u> </u>
FUND BALANCE		
Fund Balance		
Unreserved	\$4,607.40	\$1,042.00
	<u> </u>	<u> </u>
TOTAL FUND BALANCE	\$4,607.40	\$1,042.00
	<u> </u>	<u> </u>
TOTAL LIABILITIES AND FUND BALANCE	\$ 121,551.11	\$ 101,688.50
	<u> </u>	<u> </u>

VILLAGE OF HAWAIIVILLE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CASH/IN FUND BALANCE—BUDGET (GAAP BASIS)
Schedule 2

Year Ended December 31, 2000

With Comparative Actual Amounts for Year Ended June 30, 2001

	2000		Balance— Forward— Continuation(s)	2001 Actual
	Budget	Actual		
REVENUES				
Revenues				
All revenues less:				
All revenues taxes	\$ 181,000.00	\$ 181,000.00	\$ 178,000.00	\$ 181,000.00
State tax	-	79,000.00	79,000.00	79,000.00
License and permits	10,000.00	10,000.00	10,000.00	10,000.00
Occupational license	-	79,000.00	79,000.00	79,000.00
Beer and liquor license	-	79,000.00	79,000.00	79,000.00
Insurance license	-	10,000.00	10,000.00	10,000.00
Intergovernmental revenue	-	1,000.00	1,000.00	1,000.00
Video poker revenue	-	1,000.00	1,000.00	1,000.00
Federal grants	-	-	-	-
Insurance license	-	-	-	-
Miscellaneous revenue	-	-	-	-
State grants	10,000.00	1,000.00	1,000.00	1,000.00
State tax	-	-	-	-
Federal tax	-	-	-	-
State revenue sharing	-	-	-	-
Other state grants	-	1,000.00	1,000.00	1,000.00
Fees, charges and commissions	10,000.00	1,000.00	1,000.00	1,000.00
Cable TV franchise fees	-	1,000.00	1,000.00	1,000.00
Contract by contract rentals	-	1,000.00	1,000.00	1,000.00
Garbage assessment	10,000.00	1,000.00	1,000.00	1,000.00
Fines and forfeitures	10,000.00	1,000.00	1,000.00	1,000.00
Fines - Mayor's court	10,000.00	1,000.00	1,000.00	1,000.00
Use of money and property	1,000.00	1,000.00	1,000.00	1,000.00
Interest & penalty on AP tax	-	1,000.00	1,000.00	1,000.00
Bank	-	1,000.00	1,000.00	1,000.00
Interest income	-	1,000.00	1,000.00	1,000.00
Miscellaneous revenue	-	1,000.00	1,000.00	1,000.00
Advances on electricity sales	-	1,000.00	1,000.00	1,000.00
Sale of fixed assets	-	1,000.00	1,000.00	1,000.00
Miscellaneous revenue	-	1,000.00	1,000.00	1,000.00
Total revenues	\$181,000.00	\$181,000.00	\$178,000.00	\$181,000.00
EXPENDITURES				
Current expenditures				
Inter general administration	181,000.00	181,000.00	178,000.00	181,000.00

VILLAGE OF HUNDELSVILLE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
TRANSFERS TO FUND BALANCE—BUDGET (CONT. BALANCE)
Schedule 2

Year Ended December 31, 2002

\$100,000 Expenditure Actual Amounts for Year Ended June 30, 2003

	2002		Revenues— Payables— Contributions		2001 Actual
	Budget	Actual			
Public safety	\$ 100,000.00	\$ 100,000.00	\$ 1,000.00	\$ 100,000.00	
Public works	11,000.00	60,000.00	7,000.00	10,000.00	
Health and welfare	10,000.00	91,000.00	5,000.00	10,000.00	
Culture and recreation	20,000.00	11,000.00	10,000.00	10,000.00	
Capital Outlay					
Other general administration	-	-	-	-	
Public safety	-	-	-	1,000.00	
Public works	-	-	-	-	
Culture and recreation	-	-	-	-	
total, current funds	141,000.00	262,000.00	13,000.00	121,000.00	
(excess (deficiency) of revenues over expenditures)	(27,000.00)	(10,000.00)	10,000.00	(17,000.00)	
Other financing sources (uses)					
Operating transfers in					
Transfers in	-	-	-	-	
total, other financing sources (uses)	-	-	-	-	
(excess (deficiency) of revenues over expenditures and other sources (uses))	(27,000.00)	(10,000.00)	10,000.00	(17,000.00)	
Fund balance at beginning of year	100,000.00	91,000.00	(10,000.00)	100,000.00	
Fund balance at end of year	\$ 73,000.00	\$ 81,000.00	\$ (0,000.00)	\$ 83,000.00	

CAPITAL PROJECT FUND

Sewer Improvement Fund

Capital Project Funds are used to account for financial resources to be used for the renovation, acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

VILLAGE OF BAYLORVILLE
 STATE DEPARTMENT FUND
 Schedule 3
 COMPARATIVE BALANCE SHEET

(December 31, 2002 and 2001)

	2002	2001
ASSETS		
Current Assets		
Cash	\$ 411.00	\$ 4,891.00
Total Assets	<u>\$ 411.00</u>	<u>\$ 4,891.00</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Long-Term (From Other Assets)		
Construction contracts payable	\$ -	\$ 4,891.00
Due to OTHER Funds	-	-
TOTAL LIABILITIES	<u>-</u>	<u>4,891.00</u>
FUND BALANCE		
Fund Balance		
Unreserved Undesignated	411.00	10.00
TOTAL FUND BALANCE	<u>411.00</u>	<u>10.00</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 411.00</u>	<u>\$ 4,891.00</u>

TOWN OF BURLINGTON
BUDGET DEPARTMENT FILE
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE—BUDGET (GAAP BASIS)
Schedule E

Year Ended December 31, 2002
With Comparative Actual Amounts for Year Ended June 30, 2001

	2002		Variance— Favorable— Unfavorable	2001
	Budget	Actual	Percentage Change(%)	Actual
REVENUES				
Revenues				
Taxes: grants				
Miscellaneous revenue	\$	\$		\$
Use of money and property				
Interest income				
TOTAL REVENUES				
EXPENDITURES				
Capital Outlay				
Public works				
Official publications				
Engineering costs				
Construction Payments				
Miscellaneous				
TOTAL EXPENDITURES				
Excess (deficiency) of Revenues over expenditures				
Fund Balances at beginning of year				
Fund Balances at end of year				

ENTERPRISE FUNDS

Service Fund

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

VILLAGE OF NAPERVILLE
 BOARD ROOM
 Schedule B
 COMPARATIVE BALANCE SHEET

December 31, 2021 and 2020

	2021	2020
ASSETS		
Current Assets		
Cash	\$ -	\$ 2,795.44
Accounts receivable	-	12,375.40
Restricted Assets		
Cash	74,326.16	71,435.45
Fixed Assets		
Machinery and equipment - net	491,833.44	476,496.75
Construction in progress	1,441,746.45	-
Total assets	<u>\$ 1,801,267.15</u>	<u>\$ 550,697.64</u>
LIABILITIES AND FUND EQUITY		
LIABILITIES		
Current Liab (From Curr Assets)		
Cash in bank overdrafts	\$ 41,884.05	\$ -
Current Liab (From Restr Assets)		
Bonds payable-current portion	4,771.50	4,475.77
Accrued interest payable	1,267.00	695.26
Long-term Liabilities		
Bonds payable	397,842.00	397,842.00
Other loan payable	221,688.00	-
Total Liabilities	<u>467,752.55</u>	<u>403,013.03</u>
FUND EQUITY		
Dedicated Capital		
Contributed capital	427,876.25	427,876.25
Inter-fund due from fund	444,841.00	1,766.45
Retained Earnings		
(Unreserved)	(109,391.80)	(176,332.69)
Total Fund Equity	<u>763,325.45</u>	<u>449,309.01</u>
Total Liabilities and Fund Equity	<u>\$ 1,801,267.15</u>	<u>\$ 550,697.64</u>

VILLAGE OF WILCOXVILLE
 WATER FUND
 STATEMENT OF REVENUES, EXPENDITURES
 CHANGES IN FUND BALANCES
 Schedule B
 Year Ended December 31, 2002
 With Comparative Actual amounts for Year Ended December 31, 2001

	2002		2001	
	Budget	Actual	Variances— Favorable Unfavorable	Actual
OPERATING REVENUES				
Fees, charges and contributions				
Sewerage fees		\$ 101,637.76		\$ 98,768.88
Total operating revenues		<u>101,637.76</u>		<u>98,768.88</u>
OPERATING EXPENSES				
Supplies and supplies				
Equipment—insurance		114.96		47.34
Travel		5,479.04		5,075.87
Printing and collecting fees		5,175.00		5,174.81
Salaries and wages		10,484.00		10,548.16
Repairs to system		1,543.00		8,766.48
Electricity		8,750.43		10,713.00
Tools and supply equipment		-		713.00
Sewerage material and supply		10,471.75		10,545.81
Miscellaneous		1,400.00		5,713.48
Inspection and testing		1,280.00		1,423.00
Water		2,585.14		4,775.75
Oil & Gas fees		855.67		713.00
Depreciation		16,475.14		16,475.14
Operation of plant		1,428.44		2,879.58
Bond Interest		11,488.49		11,088.00
Total operating expenses		<u>104,377.70</u>		<u>152,568.71</u>
Operating Income		<u>(2,739.94)</u>		<u>(13,800.83)</u>
NONOPERATING REVENUES—DEBITORS				
Compensating balances				-
Federal grants		882,255.43		-
Nonoperating transfer				-
Contributed Capital		(882,255.43)		-
Total operating transfers		<u>-</u>		<u>-</u>
Net Income		<u>(26,598.17)</u>		<u>(27,400.83)</u>
Unrealized Derivatives and Balances, beginning of year		<u>179,332.40</u>		<u>(142,891.71)</u>
Unrealized Derivatives and Balances, end of year		<u>\$ (26,598.17)</u>		<u>\$ (179,332.40)</u>

SUPPLEMENTAL INFORMATION

VILLAGE OF NAPOLEONVILLE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2002

I have audited the financial statements of The Village of Napoleonville, as of and for the year ended December 31, 2002, and have issued our report thereon dated June 20, 2003. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of December 31, 2002, resulted in an unqualified opinion.

Section I Summary of Auditor's Results

	YES	NO	N/A
Financial Statements			
Internal control over financial reporting:			
Material weakness(es)		X	
Reportable condition(s)		X	
Noncompliance material to the financial statements		X	
Federal Awards			
Internal control over major programs:			
Material weakness(es) identified		X	
Reportable condition(s) identified		X	
Any findings required to be reported by Section 506(a) of Circular A-133		X	
Type of auditor's report on compliance for major programs: Unqualified			

Identification of Major Programs:

CFDA Number(s)	Name of Federal Program (or Cluster)
15.790	USDA- Water and Waste Disposal Systems for Rural Communities

Dollar threshold used to distinguish between Type A and Type B Programs \$ 300,000

Is the audit a "low-risk" audit, as defined by OMB Circular A-133? ☐ Yes ☒ No ☐ N/A

VILLAGE OF NAPOLEONVILLE
Schedule of Findings and Questioned Costs, Continued
December 31, 2012

Section II Financial Statement Findings

Current Year Findings

No findings to report.

Prior Year Findings

No findings to report.

Section III Federal Award Findings and Questioned Costs

No findings to report.

VILLAGE OF NAPOLEONVILLE

MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
For the Year Ended December 31, 2002

Section I-Internal Control and Compliance Material to the Financial Statements:

No findings reported.

Section II-Internal Control and Compliance Material to Federal Awards:

No findings reported.

Section III-Management Letter:

No findings reported.

VILLAGE OF NAPOLEONVILLE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2002
 SCHEDULE 7

<u>Federal Grantor/Pass-through/Grantee/ Program or Grant Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entry Identifying Number</u>	<u>Federal Expenditures</u>
<i>Disbursed State</i>			
<i>Department of Agriculture</i>			
Water and Waste Disposal Systems for Rural Communities	10.560	LCAN GRANT	\$ 250,000 761,502
TOTAL			<u>\$ 1,022,502</u>

BASE OF PRESENTATION

The above schedule of expenditures of federal awards includes the federal grant activity of the Village of Napoleonville and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audit of State, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Compliance

I have audited the compliance of the Village of Napoleonville with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133-Compliance Requirements that are applicable to each of its major federal programs for the year ended December 31, 2002. The Village of Napoleonville's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Village of Napoleonville's management. My responsibility is to express an opinion on the Village of Napoleonville's compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Village of Napoleonville's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of the Village of Napoleonville's compliance with those requirements.

In my opinion, the Village of Napoleonville complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2002.

Internal Control Over Compliance

The management of the Town of Walker is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered the Village of Napoleonville's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the management of the Village of Napoleonville, Louisiana Legislative Auditors, federal awarding agencies and pass-through entities and is not intended to be used and should not be used by anyone other than those specified parties.

Leroy J. Chustz

Leroy J. Chustz
Certified Public Accountant, APAC
June 20, 2003